

## Message Text

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46

ORIGIN L-03

INFO OCT-01 ARA-06 EUR-12 ISO-00 SP-02 EB-07 TRSE-00 OMB-01

SS-15 NSC-05 NSCE-00 /052 R

DRAFTED BY L/ARA:DAGANTZ

APPROVED BY ARA:HRYAN

ARA:AFISHLOW (DRAFT)

S/P:LEINAUDI (SUB)

ARA/EP:RKING

EB:RSMITH (DRAFT)

TREASURY:FMARESCA/RGOODMAN

----- 070493

O 171419Z DEC 75

FM SECSTATE WASHDC

TO AMEMBASSY LIMA IMMEDIATE

INFO AMEMBASSY PARIS IMMEDIATE

C O N F I D E N T I A L STATE 296873

E.O. 11652: GDS

TAGS: EINV, EIND, EMIN, PFOR, PE

SUBJECT: MARCONA - DELIVERY OF MEMORANDUM ON TAX CLAIMS

REF: A. STATE 295331 B. PARIS 32718 (NOTAL)

PARIS: FOR DEPUTY ASSISTANT SECRETARY ALBERT FISHLOW

1. EMBASSY IS REQUESTED TO DELIVER TEXT OF MEMORANDUM (REF A) WITH CHANGES PARA 2 BELOW TO DE LA PUENTE'S OFFICE UNDER COVER OF LETTER PARA 3 BELOW. (TITLE SHOULD BE "MEMORANDUM ON TAX CLAIMS" AND IT SHOULD BE DOUBLE SPACED ON BLANK PAPER WITHOUT EMBASSY SEAL OR OTHER INDICATION OF AUTHORSHIP.) COPIES OF LETTER AND MEMORANDUM SHOULD ALSO BE DELIVERED IMMEDIATELY TO BROUSSET.

3. CHANGES IN MEMORANDUM REF A ARE AS FOLLOWS:

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(A) THE SECOND SENTENCE IN THE FIRST PARAGRAPH OF PART 4 (PURCHASING COMMISSIONS) SHOULD READ, "THE PAYMENT OF A REASONABLE COMMISSION FOR SERVICES RENDERED ABROAD IS APPARENTLY DEDUCTIBLE UNDER THE PERUVIAN INCOME TAX LAW."

(B) THE FIRST SENTENCE UNDER PART 5 (DISALLOWANCES OF BONUSES PAID TO FOREIGN HIRE STAFF) SHOULD READ, "THE PERUVIAN TAX AUTHORITIES HAVE CHALLENGED THE VALIDITY OF TREATING THE FULL AMOUNT OF BONUSES PAID TO FOREIGN PERSONNEL AS DEDUCTIBLE EXPENSES."

(C) IN THE FINAL SENTENCE OF PART 5, "EXPENDITURES FOR THE PRODUCTION OF INCOME" IS REPLACED BY "NECESSARY BUSINESS EXPENSES."

(D) IN PART 2 (DISALLOWANCE OF 4 PERCENT DEDUCTION FROM C F), THE WORD "PERCENT" SHOULD FOLLOW "4" IN ALL CASES, AND THE WORD "COMMISSION" SHOULD BE REPLACED WITH "ALLOWANCE" EXCEPT WHERE IT REFERS TO D.L. 17710 (E.G. THE FIRST THREE TIMES IN THE SIXTH PARAGRAPH OF PART 2).

3. QUOTE

DEAR AMBASSADOR DE LA PUENTE:

I AM ENCLOSING THE MEMORANDUM ON THE TAX CLAIMS THAT DR. FISHLOW AGREED TO PROVIDE TO THE PERUVIAN COMMISSION AT THE CLOSE OF OUR MEETING LAST FRIDAY. IT SUMMARIZES AND, TO A LIMITED EXTENT, ELABORATES ON THE POINTS DISCUSSED BY DR. FISHLOW IN THE COURSE OF THAT MEETING. MORE DETAILED INFORMATION ON CERTAIN OF THE CLAIMS WILL BE PRESENTED AT A LATER DATE AS APPROPRIATE.

DR. FISHLOW, WHO WILL BE IN PARIS UNTIL THIS WEEKEND, HAS ALSO ASKED THAT I REITERATE THE WILLINGNESS OF OUR GOVERNMENT TO SEND ONE OR TWO TECHNICAL EXPERTS TO PERU AT AN EARLY DATE TO DISCUSS THESE ISSUES WITH THE PERUVIAN COMMISSION, BEFORE THE COMMISSION COMPLETES ITS REPORT. I BELIEVE THAT JANUARY 5 WOULD BE AN APPROPRIATE DATE FOR SUCH A MEETING AND, IF YOU AGREE, WE WILL MAKE PLANS TO SEND THE APPROPRIATE OFFICIALS TO LIMA FOR THE PURPOSE.

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PRIATE DATE FOR SUCH A MEETING AND, IF YOU AGREE, WE WILL MAKE PLANS TO SEND THE APPROPRIATE OFFICIALS TO LIMA FOR THE PURPOSE.

SINCERELY,

DAVID A. GANTZ  
ASSISTANT LEGAL ADVISER

FOR INTER-AMERICAN AFFAIRS UNQUOTE INGERSOLL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATIONALIZATION, COMPENSATION, TAX AGREEMENTS  
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**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Status:** NATIVE  
**Subject:** MARCONA - DELIVERY OF MEMORANDUM ON TAX CLAIMS  
**TAGS:** EINV, EIND, EMIN, PFOR, PE  
**To:** LIMA  
**Type:** TE  
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